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New Partnership for Africa's Development: progress in implementation and international support

New Partnership for Africa's Development: eighth consolidated progress report on implementation and international support

Report of the Secretary-General

Summary

The present report, mandated by General Assembly resolution 64/258, assesses the progress achieved in implementing the New Partnership for Africa's Development (NEPAD) and the related support provided by the international community. It coincides with various progress reports on the Millennium Development Goals with a special focus on Africa. In addition, the upcoming High-level Plenary Meeting on the Millennium Development Goals will focus closely on Africa. This attention reflects the fact that most African countries face serious challenges in reaching the Goals.

Within the context of the current fragile and uncertain global recovery, the implementation of NEPAD and the achievement of the Millennium Development Goals require firm determination and leadership on the part of both African countries and the international development partners so as to move from a vision to concrete results. In particular, the present report, while acknowledging that African countries have made good progress in implementing NEPAD sectoral priorities, reiterates the need for African countries and institutions to allocate more resources towards NEPAD priorities, including the Comprehensive Africa Agriculture Development Programme, and to adopt a continent-wide communications and outreach strategy to further mobilize national, regional and international stakeholders to participate in NEPAD projects. Development partners should scale up development aid and improve aid effectiveness in order to ensure that commitments are achieved by the set deadline.

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A comprehensive Africa Plan of Action on the Millennium Development Goals is imperative for success. The Millennium Development Goals summit could be an appropriate platform for calling for the implementation, on an urgent basis, of international commitments, including the long-overdue successful outcome of the Doha round of multilateral trade negotiations with a development dimension. Making trade beneficial to least developed countries and facilitating the transfer of technology remain important in order for the Millennium Development Goals to be achieved in Africa.

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I. Introduction

1. In its resolution 64/258, entitled "New Partnership for Africa's Development: progress in implementation and international support", the General Assembly requested the Secretary-General to submit a comprehensive report on the implementation of the resolution to the Assembly at its sixty-fifth session. The present report responds to that request.

2. The report highlights the policy measures taken by African countries and organizations in the implementation of the New Partnership for Africa's Development (NEPAD), the response of the international community and the support provided by the United Nations system during the past year. The activities undertaken by the private sector and civil society in support of NEPAD are also highlighted. The report benefited from information provided by Member States, the African Development Bank (AfDB), the NEPAD Planning and Coordinating Agency (NPCA), the African Peer Review Mechanism secretariat, the Organization for Economic Cooperation and Development (OECD) and various entities of the United Nations system. The report is complemented by the reports of the Secretary-General A/65/165 and A/65/152.

II. Action taken by African countries and organizations

3. NEPAD represents a collective vision and a strategic socio-economic development framework for Africa. The move from a framework to an operational blueprint relies on the determination of each and every individual country and its concrete policy actions. In particular, each country is expected to formulate its own development programme consistent with the NEPAD goals, in order to promote sustainable growth and achieve the Millennium Development Goals. In addition, AfDB and the Economic Commission for Africa (ECA) are responsible for carrying out a number of projects and programmes in the process of the implementation of NEPAD. The regional economic communities, which play a leading role in the context of economic integration, are key players in the implementation of projects at the subregional level. In February 2010, the fourteenth African Union Summit endorsed the integration of NEPAD into the structures and processes of the African Union and established NPCA. Within this new institutional configuration, the mandate of the NPCA is to manage, facilitate and coordinate the implementation of Africa's regional and continental priority programmes and projects.

A. Infrastructure

4. Bridging Africa's infrastructure gap, which is crucial to accelerating the achievement of the Millennium Development Goals in Africa, is one of the key objectives of NEPAD. Efforts have continued in the past year to implement the various infrastructure programmes, in particular the short-term action plan and the Programme for Infrastructure Development in Africa, which replaced the Medium-to-Long-Term Strategic Framework. Those initiatives are being carried out in close collaboration with AfDB, the regional economic communities, development partners and other stakeholders.

5. The main goal of the Programme for Infrastructure Development in Africa is to develop a vision for Africa's infrastructure development that is based on the continent's strategic objectives and sector policies, and provides a coherent framework for regional and continental transport, energy, water and information and communications technology infrastructure development. At a workshop hosted by AfDB, held in Tunisia in April 2010, the European Union shared best practices and the knowledge gained in the process of developing an efficient trans-European transport network, and their possible application in the context of the Programme was discussed. Sector studies and further consultative meetings will lead to final recommendations, which will be taken up by a special Summit of the African Union Heads of State and Government for consideration and possible adoption.

6. The Infrastructure Consortium for Africa, a forum in which major bilateral and multilateral donors work with continental and regional institutions to facilitate both public and private investment in Africa's infrastructure, focused its attention on fostering regional economic integration through infrastructure investments at its annual meeting, held in Tunisia in May 2010. Recognition of the lack of knowledge and data on the state of infrastructure led to the launching of the Africa Infrastructure Country Diagnostic project, which culminated in the recently published World Bank report entitled *Africa's Infrastructure: A Time for Transformation*. One key finding of the report is that although Africa faces infrastructure investment requirements of $93 billion a year, it currently spends $45 billion annually. The remaining financing gap of $48 billion could, however, be reduced by $17 billion through a more effective use of existing resources, including increased regional integration.

7. As a response to the global economic crisis, multilateral development banks pledged to increase financing for infrastructure investments to provide short-term stimulus to economies. AfDB helped develop the action plan to respond to the financial crisis in Africa. A regional and continental strategy was put in place whereby international financial institutions and development banks pledged to increase their financial commitments to Africa by at least $15 billion in the next two to three years and to increase lending in the area of infrastructure.

8. To prepare a strategic framework for the socio-economic development of the Songwe River Basin, the border between Malawi and the United Republic of Tanzania, AfDB approved an African Water Facility grant of €3.5 million for the two countries to finance the detailed design and implementation of the Songwe River Basin Development Programme. The framework will provide a joint management strategy for the waters and detailed investment plans for a multi-purpose dam and associated hydropower schemes, irrigated agriculture, river stabilization, flood control, fisheries development, water supply and roads.

9. In the area of transport infrastructure, NPCA developed the NEPAD East-West corridor, and a project feasibility study is being carried out with a view to providing an integrated transport infrastructure solution from Senegal to Nigeria. In November 2009, the inaugural NEPAD Transport and Infrastructure Summit was held in South Africa. The Summit brought together African Governments, the private sector, financial institutions, development partners, transport experts and transport infrastructure development agencies to discuss existing regional and continental transport infrastructure development plans, and to develop new strategies on the basis of the previous successes achieved through current government policies and

plans. The Summit identified challenges in the area of transport infrastructure and their impact on regional integration and trade facilitation, highlighting the key role of port authorities and advocating one-stop border posts as a way to address constraints on trade resulting from cross-border formalities.

10. In the energy sector, NEPAD is preparing a regional programme for energy poverty alleviation based on the off-grid electrification concept that was successfully implemented in China and India, focusing on small-scale solutions catering to household needs. Advocating and promoting the involvement of small and medium-sized enterprises in the electricity business, especially in the use of renewable energy sources to fast track the electrification of the continent, is a major strategic achievement of the secretariat in the energy sector. The use of renewable energy was promoted at several high-level meetings, including with partners such as OECD, the European Union (Africa-European Union Energy Partnership) and AfDB, among others. Those efforts resulted in the inclusion of renewable energy sources as a part of the Programme for Infrastructure Development in Africa. In addition, NPCA is developing a continental policy on bio-energy and has set up a regional energy centre of excellence in cooperation with the Power Institute for East and Southern Africa.

11. Progress continues to be made on the NEPAD Information and Communications Technology Broadband Infrastructure Programme, which consists of the Uhurunet submarine cable and the Umojanet terrestrial network. Both initiatives were developed under the African Union protocol known as the Kigali Protocol, which came into force in 2008. The Uhuru submarine cable will extend from Europe to South Africa, connecting all coastal and island countries along the West African coast, and is being developed by the NEPAD-initiated Baharicom Company. It is expected to be completed and ready for use in mid-2012. With respect to Umojanet, the terrestrial network in southern and East Africa, a detailed feasibility study is being carried out. The results of a study undertaken between November 2008 and June 2009 indicated that 60 per cent of the optical fibre infrastructure was already in place and 8 per cent was under construction. In March 2010, the Inter-Governmental Assembly of the Kigali Protocol countries approved a group of Botswana-based investors as the lead investors that will develop, own and operate Umojanet.

B. Agriculture and food security

12. During the period under review, substantial progress was made in implementing the Comprehensive Africa Agriculture Development Programme (CAADP). African countries continue to mainstream the CAADP agenda into their agriculture and rural development strategies and programmes.

13. As of July 2010, 20 countries had signed their respective CAADP compacts. Seven more countries are expected to sign in 2010. Progress was also realized with regard to the commitment made by member countries to allocate 10 per cent of their budgets to agriculture. To date, eight countries have surpassed this commitment, and most countries have made significant progress towards that goal. More than 20 countries have achieved agricultural growth rates of 6 per cent or more.

14. Progress was also made with respect to the regional-level implementation of CAADP through the regional compacts. The International Conference on Financing

Regional Agricultural Policy in West Africa, held in Nigeria in November 2009, culminated in the signing of the Economic Community of West African States/Economic Community of West African States Agricultural Policy Regional Partnership Compact. This was the first regional CAADP compact to be signed.

15. A CAADP donors and partners meeting was held in Ethiopia in September 2009 with the objective of deepening awareness among key donor and Government actors of CAADP principles and processes. At the meeting, the progress made with respect to the implementation of CAADP at the international and country levels was reviewed. In addition, the meeting discussed and agreed on the modalities by which donor support for CAADP could be mobilized and harmonized with ongoing country-led initiatives. The CAADP multi-donor trust fund reached an agreement with partners on issues relating to financing and the implementation of CAADP.

16. The sixth Partnership Platform Meeting of CAADP was held in South Africa in April 2010. The meeting called upon all parties to ensure that adequate post-compact road maps were in place in each country upon signature of the Compact, to be followed by the immediate formulation of agricultural investment plans. The international development community has continued to devote attention to investing in land and water management through the Global Environment Facility (GEF), which received a grant amounting to $150 million. The 2008-2009 joint NEPAD/Food and Agriculture Organization of the United Nations programme focused on scaling up the adoption of conservative agriculture policies in southern Africa, reaching out to more than 23,700 rural households. The programme is being extended to East Africa in 2010. NPCA has also finalized the GEF-United Nations Environment Programme supported project on sustainable land management monitoring and evaluation capacity-building project for NEPAD and the regional economic communities for the period 2009-2012.

17. NPCA stepped up its efforts to ensure the inclusion and effective participation of farmers' organizations in the implementation of CAADP. Towards this end, NPCA facilitated the establishment of the CAADP Africa Forum, an annual platform for peer learning and the sharing of best practices and progress in African agriculture among policymakers and practitioners from across the continent. The Forum will serve as a bridge between the highly specialized expertise offered by the CAADP pillar lead institutions and the realities on the ground in African countries. The first Forum was held in Kenya in November 2009, where it was decided to make the Forum an instrument to help farmers' organizations facilitate sharing and learning with respect to progress among farmers and development experts and practitioners. The Forum would also promote the identification and scaling up of best practices in African agriculture as an input to the CAADP implementation process. It is anticipated that the outcome of and lessons learned from the 2010 Forum will provide input into the design and content of the NPCA framework on climate change and mitigation.

18. NPCA has also continued to collaborate with the African Union Commission, AfDB and ECA on monitoring and evaluating the progress made at the country and regional levels in the implementation of the 12 resolutions of the Abuja Declaration on Fertilizer for an African Green Revolution. Moreover, the recently established Partnership for African Fisheries has identified and selected four partners to prepare and submit proposals for the various policy working groups: (a) fisheries governance; (b) the fisheries trade; (c) stopping illegal fishing; and (d) policy think

tank. The working groups are engaged under the auspices of the Partnership Steering Committee, which convened in September 2009.

C. Health

19. In the health sector, NPCA continued to integrate its work programme with that of the African Union Commission and to establish projects in line with its new mandate. This year, the Commission has been focusing its efforts on reviewing and supporting the implementation of the Maputo Plan of Action on sexual and reproductive health and rights. In this spirit, the July 2010 African Union summit, held in Uganda, focused on maternal, infant and child health and development in Africa. NPCA also continues its advocacy in the area of enhancing global health initiatives on HIV/AIDS and other diseases.

20. NPCA contributes to addressing the human resource crisis in the health sector in Africa. It sits on the Board of the Global Health Workforce Alliance and chairs the African Platform on Human Resources for Health, which has established a secretariat hosted by the World Health Organization in Zimbabwe. NPCA is also conducting a study aimed at profiling and establishing the needs of sub-Saharan African medical schools, with the ultimate goal of mobilizing support with a view to increasing their capacity to produce a larger number of high-quality graduates.

21. Within the framework of the African Union Pharmaceutical Manufacturing Plan, the NEPAD Agency is coordinating a consortium to strengthen the harmonization of drug registration, implemented jointly with the World Health Organization, the Bill and Melinda Gates Foundation, the Clinton Foundation and the Department for International Development of the United Kingdom of Great Britain and Northern Ireland. A donor and stakeholder meeting in London held in November 2009 secured additional donor support. The project will be implemented by the regional economic communities. The initiative for the strengthening of pharmaceutical innovation in Africa, which NPCA is carrying out together with the Council on Health Research for Development and the African Union Commission, is focused on improving access to medicines, research on alternative or improved products, and stimulating the production of medicines by African countries. It helps policymakers to understand how they can benefit from pharmaceutical innovation, to design effective national innovation strategies and to build capacity in their countries.

22. A technical committee meeting held in South Africa in February 2010 discussed the results of the study on strengthening pharmaceutical innovation in Africa and proposed the introduction of a new tool, the Pharmaceutical Innovation Framework and Grid, which would support countries in assessing their current situation and future objectives for pharmaceutical innovation and in designing national and regional action plans for innovation, as well as access to and the local production of medicines, diagnostics and vaccines.

D. Education and training

23. During the period under review, various education projects registered further progress. Negotiations are under way regarding a possible partnership between NPCA and the United Nations Educational, Scientific and Cultural Organization for

the implementation of the project on teacher development through open and distance learning in Africa in eight African countries in the Southern African Development Community and Economic Community of West African States subregions.

24. The human resource development initiative for nurses and midwives in Africa led to the graduation of 11 students with a master's degree in community health nursing and psychiatric nursing from universities based in Kenya and the United Republic of Tanzania. Those graduates have been deployed to Malawi. The initiative will benefit from a $1.5 million grant from China to continue its implementation phase in three additional countries in the Economic Community of Central African States (ECCAS) subregion.

25. NPCA continued to promote the implementation of centres of excellence in the framework of the education programme, including a centre for mathematics, science and technology education in the ECCAS subregion. A centre is being established in Gabon and should benefit from the extensive experience of the Government of Kenya.

26. NPCA has also made progress in the implementation of the forestry education initiative. The major objective of the initiative is to enhance the skills of students with respect to forestry issues through a viable master's programme delivered by a consortium of universities in participating countries. Negotiations have already taken place with six African countries, namely, Angola, the Congo, the Democratic Republic of the Congo, Gabon, Malawi and South Africa.

E. Environment and tourism

27. Progress continues in the implementation of the NEPAD subregional environmental action plans adopted by the Ministers of the Environment of the five subregions in June 2008. To promote complementarity and coherence in the implementation of climate-change programmes under the leadership of NPCA, a meeting with the regional economic communities and key partners, including with the African Ministerial Conference on the Environment and the World Wildlife Fund, was organized to work out partnership arrangements among the commissions.

28. NPCA also participated in the February 2010 meeting held in Kenya to discuss possible joint ventures and how to strengthen Africa's position in the upcoming negotiations leading to the sixteenth Conference of the Parties to the United Nations Framework Convention on Climate Change, which will be held in Mexico in December 2010. During the Kyoto protocol negotiations on climate change held at the fifteenth Conference, in Copenhagen in December 2009, the African Union and NEPAD forged strategic alliances for systematic and proactive support to tackle the issue of climate change in line with the CAADP agenda. They advocated initiatives aimed at promoting mitigation and adaptation to climate variability. There has also been increasing collaboration between the African Union Commission and the African Ministerial Conference on the Environment in developing a common African position on the global climate change negotiations that were held in Copenhagen in December 2009.

29. NPCA has been coordinating efforts to develop a continental climate change mitigation and adaptation framework, building on the recommendations of the thirteenth African Union Summit, under the theme "Investing in Agriculture for

Economic Growth and Food Security", and sub-theme A, "Climate change: opportunities for enhanced investments and growth of African agriculture". The framework will be instrumental in guiding the diagnosis, design and implementation of agriculture-based climate change adaptation and mitigation programmes.

30. In partnership with the Economic Commission for Africa, the African Union Commission and the OECD/Africa Partnership Forum support unit, NPCA prepared a brief on climate change and carbon finance, which was shared with the African negotiators with a view to raising their awareness and building their capacity for effective participation in Copenhagen and for follow-up negotiations. NPCA was also actively engaged with several key partners, including with the United Nations Environment Programme, the Food and Agriculture Organization of the United Nations, the United Nations Foundation and the Department for International Development of the United Kingdom, in order to mobilize financial resources, technical assistance and collaborative assistance in the implementation of the environment programme. A calendar for subregional consultative meetings has been approved by the African Ministerial Conference on the Environment, and consultations began in February 2010.

31. In August 2009, NPCA, in collaboration with the secretariat of the Common Market for Eastern and Southern Africa, organized a workshop that culminated in the creation of an African network of climate change scientists. The network will facilitate the work of the African negotiators by strengthening the common African position on climate change negotiations. NPCA is now facilitating the mobilization of Governments, at the national level, to support the common African position and advocate the development and implementation of a global and comprehensive post-2012 climate change agreement.

32. NPCA has also called on development partners to enhance their efforts to implement the NEPAD Tourism Action Plan. A top priority of that initiative is the creation of and support for a platform to expand tourism in Africa through increased policy dialogue and coordination of the various actors involved. In this regard, a conference of African Ministers in charge of tourism was held in South Africa in February 2010.

F. Information and communications technology

33. Over the past year, the NEPAD e-Africa Commission achieved major progress with respect to the support and implementation of the NEPAD information and communications technology agenda through the NEPAD e-Schools Initiative.

34. The NEPAD e-Schools Demonstration Project, in collaboration with Governments and consortia of private-sector companies and non-governmental organizations, has witnessed the set-up of 100 NEPAD e-Schools in 16 participating African countries, namely, Algeria, Burkina Faso, Cameroon, Egypt, Gabon, Ghana, Lesotho, Kenya, Mali, Mauritius, Mozambique, Nigeria, Rwanda, Senegal, South Africa and Uganda. Monitoring and evaluation activities have revealed a need to mobilize local partnerships to sustain the schools. Regarding the implementation of the e-school business plan, project proposals have been prepared by the e-school programme in order to establish national implementing agencies. In addition, a continental matrix of teacher competencies for information and communications technology in education and the e-schools' educational content were developed and

considered during the e-learning Africa Conference held in Zambia in May 2010. To overcome the challenge of providing broadband connectivity in rural areas, the African satellite company RASCOM agreed to develop a continental satellite network to provide Internet connectivity for rural and remote schools.

35. At the policy and regulatory level, the NEPAD e-Africa Commission organized stakeholders' consultations across the continent aimed at amending the Kigali Protocol to facilitate the implementation of the NEPAD network. Such workshops were held for the ECOWAS and the ECCAS regions in Nigeria, in March 2010, and in Chad, in April 2010, respectively. In June 2010, the second annual ministerial commission meeting of the NEPAD e-Africa Commission, held in Senegal, adopted a resolution aimed at facilitating the merger of the governance structures for information and communications technology in the NEPAD Agency and the African Union Commission. This meeting also urged African ministers to prioritize the provision of broadband connectivity to secondary schools and to include this issue in the policies and plans of the respective ministries.

36. The information and communications technology agenda in Africa received strong support from the African Union Heads of State and Government during their fourteenth Summit, held in February 2010. Declarations and decisions were adopted with the aim of prioritizing the information and communications technology sector in development programmes. Ongoing activities aimed at the implementation of the Reference Framework for Harmonization of Telecommunication and ICT Policies and Regulation in Africa, as well as the African Regional Action Plan on the Knowledge Economy, were encouraged. The Summit called for an African digital agenda identifying the main stages of a process culminating in the establishment of a harmonized African information and communications technology market by 2020.

G. Science and technology

37. Over the review period, NPCA made further progress in the implementation of the Africa's Science and Technology Consolidated Plan of Action. Significant achievements were made in the implementation of the following programmes: (a) the African Biosciences Initiative and the newly established African Biosafety Network of Expertise; (b) strengthening pharmaceutical innovation in Africa; (c) mobilizing support for harmonizing drug registration in Africa by improving access to priority medicines; (d) African Science, Technology and Innovation Indicators Initiative; (e) building a sustainable energy base; and (f) securing and sustaining water: building an African network of centres of excellence in water sciences and development.

38. In July 2009, a grant agreement of $10.4 million was finalized with the Bill and Melinda Gates Foundation to support the implementation of the African Biosafety Network of Expertise. The Technical Advisory Committee of the NEPAD African Biosafety Network of Expertise held its inception meeting in February 2010 in the United Republic of Tanzania and approved its workplan for 2010, which is aimed at providing a range of services to regulators, including science-based biosafety information through a web portal, training programmes and expert consultations. The Committee acknowledged the contribution made by the Government of Burkina Faso in adopting the Network's host country agreement and

commended the Network team's efforts in establishing the nodal office in Burkina Faso in April 2010.

39. The Bureau of the African Ministerial Conference on Science and Technology, at its most recent meeting, held in Burundi in June 2009, commended the contribution being made by the NEPAD science and technology sector through its various programmes. Draft summary project proposals from the regional economic communities were prepared and discussed in detail in order to ensure that their needs were well addressed. NPCA is now working with universities and research institutions in all African subregions to develop sound project implementation plans and improve the design of the projects so that they can add value to the regions.

40. NPCA is working with the Council on Health Research for Development to start development of a database to be used by member States to compile their science, technology and innovation statistics. The software, HRweb, will be user-friendly, so that the national databases to be developed can be used by scientists, policymakers and the general public. Moreover, NPCA is working with the Canadian International Development Agency to provide support to the regional biosciences networks. With respect to the African Science, Technology and Innovation Indicators Initiative, NPCA has been working with member countries to develop and update internationally comparable science, technology and innovation indicators.

H. Gender mainstreaming, empowerment of women and civil society participation

41. Gender mainstreaming in all development plans, strategies and projects remains a key priority for NEPAD. A cornerstone of NEPAD activities with regard to the empowerment of women is the NEPAD Spanish Fund for African Women Empowerment. Established in 2007, it is aimed at empowering African women by providing them with the financial resources needed to unlock their economic potential, promote economic growth, fight poverty, create wealth and contribute to the achievement of the Millennium Development Goals and sustainable development. The Fund provides grants to support projects that are aimed at empowering African women and promoting gender equality. Since its establishment, it has funded 45 projects, of which 27 are operational and 18 are completed. The Fund was reviewed during the eighth Africa Regional Conference on Women (Beijing + 15), held in the Gambia in November 2009. The Ministerial meeting, after hearing about the implementation of the various projects, recommended that the Fund should remain within NPCA. In addition, the Conference recommended the establishment of a Fund for African Women, which was endorsed by the fourteenth African Union Summit in February 2010, in the context of the Decade of the African Woman, which will span the years 2010 to 2020. The Fund is a demonstration of Africa's commitment to supporting and promoting the socio-economic status of women on the continent.

42. NPCA is in the process of creating a multisectoral working group on gender that will address gender gaps in all sector initiatives, in cooperation with the NEPAD gender task force and with the support of Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ). Regarding the implementation of the Business Incubation for African Women Entrepreneurs project, NPCA, in collaboration with

COMESA and ECOWAS, is piloting a two-year phase, with an allocation of €1 million from the Spanish Fund for these two projects. The pilot projects will develop, test and apply practical business incubation methods that can boost the incomes and skills of women who run small enterprises in the areas of handcrafts, agro-processing and information and communications technology. If successful, the project will be scaled up to the other three regional economic communities.

I. African Peer Review Mechanism

43. The African Peer Review Mechanism continues to strengthen its position as an instrument for advancing good governance in Africa. According to the latest information provided by its secretariat, as of the end of June 2010, 29 countries had joined the Mechanism, namely: Algeria, Angola, Benin, Burkina Faso, Cameroon, the Congo, Djibouti, Egypt, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Malawi, Mali, Mauritania, Mauritius, Mozambique, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, the Sudan, the United Republic of Tanzania, Togo, Uganda and Zambia. Cape Verde, which formally expressed its intention to accede in July 2009, will become the thirtieth member country of the Mechanism once it finalizes the accession formalities by signing the memorandum of understanding.

44. Steady progress has been registered in the peer review process. As of the end of June 2010, 12 countries had been peer-reviewed by the African Peer Review Forum, namely, Algeria, Benin, Burkina Faso, Ghana, Kenya, Lesotho, Mali, Mozambique, Nigeria, Rwanda, South Africa and Uganda. In addition, Mauritius and Ethiopia received country review missions in the second half of 2009. Their reports were reviewed at the most recent Forum, held in July 2010. The United Republic of Tanzania and Zambia are also quite advanced in terms of their processes. The country review mission for the United Republic of Tanzania, scheduled for the first half of 2010, was put on hold owing to the fact that elections are to be held in the country later in 2010. Zambia is currently finalizing its self-assessment report. The submission of that report to the African Peer Review panel will pave the way for the fielding of the review mission. Thirteen countries have yet to formally launch their African Peer Review Mechanism process.

45. The countries reviewed have also made progress in the implementation of their respective national programmes of action arising from the review process. To that end, the twelfth Summit of the African Peer Review Forum, held in Addis Ababa in January 2010, considered progress reports on the implementation of the national programmes of action of Uganda and Burkina Faso. Second-cycle reviews are also due for Algeria, Ghana, Kenya, Rwanda and South Africa.

46. The African Peer Review Mechanism has since its inception continued to receive support from its three strategic partners, AfDB, ECA and the United Nations Development Programme (UNDP). That support has included participation in country review missions and other forms of technical and financial assistance. In this regard, AfDB has in the current period provided a grant to support the project aimed at revising and improving tools and processes so as to streamline and fast-track the implementation of the African Peer Review Mechanism. Two technical meetings on this project have been held so far, in South Africa and Ethiopia, respectively. ECA has also been instrumental in organizing workshops to enhance

the role and effective participation of African parliamentarians in the Mechanism process and other capacity-building initiatives in the course of 2010. The UNDP Regional Bureau for Africa manages the trust fund for the implementation of the African Peer Review Mechanism.

III. Response of the international community: building on the momentum of international support for Africa's development

47. The world economy is still recovering from the worst recession since the Great Depression. As the global recovery remains fragile and the medium-term impact of the crisis on human development is expected to be severe in a number of African countries, developed countries should deliver on the historic promises they made at the 2005 Gleneagles summit of the Group of Eight and give Africa the opportunity to effectively carry the NEPAD vision forward. Even though total aid to Africa has risen, a sustained increase in aid must remain a priority in order to prevent the crisis from seriously damaging development prospects and to keep alive the hope of halving poverty by 2015.

48. Against this background, at the Group of Eight Summit held in Canada in June 2010, the G-8 reaffirmed their commitments, including on official development assistance (ODA) and enhancing aid effectiveness, and submitted their first accountability report, which emphasized regular, clear and transparent reporting on the progress made in implementing commitments and called for the G-8 to continue to exercise strong leadership in responding to global development challenges. The G-8 also launched the Muskoka Initiative, a comprehensive and integrated approach to accelerating progress towards the Millennium Development Goals on child mortality and maternal health, and made a commitment to mobilize $5 billion in additional funding for disbursement over the next five years.

49. In order to galvanize support for the efforts to achieve the Millennium Development Goals by 2015, the Millennium Development Goals Africa Steering Group, which brings together eight major multilateral institutions[1] working on development in Africa, in July 2008 launched a series of recommendations in five fundamental areas that are critical to Africa's development, namely: (a) agriculture and food security; (b) education; (c) health; (d) infrastructure and trade facilitation; and (e) statistical systems. The Group recently conducted a progress review on implementation of the recommendations. Its findings revealed that progress has been made and that the Millennium Development Goals remain achievable if concerted, targeted efforts are made by all stakeholders; however, many policy, implementation and financing gaps remain. These findings, along with the need to address the negative implications of the recent global economic crisis for the achievement of the Millennium Development Goals in Africa, have led the Group to advocate a comprehensive Africa plan of action on the Millennium Development Goals and better resource mobilization through, inter alia, the organizing of donor round tables or consultative meetings at both the global and national levels.

[1] The Millennium Development Goals Africa Steering Group comprises the following institutional members: ECA, AfDB, the African Union Commission, the European Commission, the Islamic Development Bank, the International Monetary Fund, the World Bank and OECD.

A. Official development assistance

50. According to OECD, total ODA from all donors reached $129 billion, and total ODA to Africa rose by 7 per cent in real terms, from $39.1 billion in 2007 to $44 billion in 2008 (see fig. I).[2] ODA net of debt relief rose from $35.4 billion to $42 billion between 2006 and 2008, representing a cumulative increase of 30 per cent in real terms. Despite that increase, ODA to Africa is falling short of the targets set. Since 2004, Africa has received between 32 and 35 per cent of the total increase in ODA, well below the 50 per cent increase committed to in Gleneagles. Africa is likely to get only about $12 billion of the $25 billion increase envisaged at Gleneagles, owing in large part to lower-than-expected disbursements on the part of major donors of ODA to Africa.

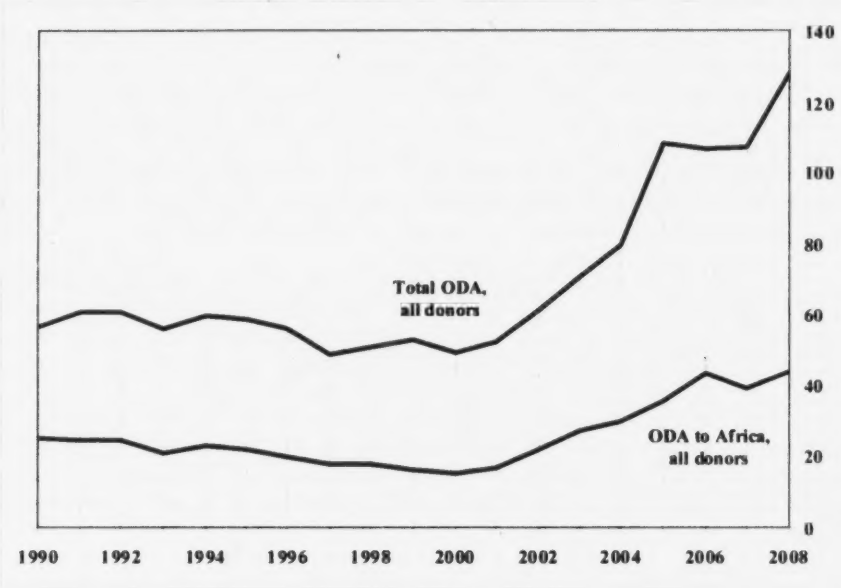
51. With respect to aid effectiveness, some progress has been made towards reaching the targets set for 2010 in the Paris Declaration on Aid Effectiveness. A recent OECD survey indicated that progress has been made globally as concerns the untying of aid, the increased use of country systems and coordination on technical cooperation, but highlights continuing concerns relating to lack of predictability, mutual accountability, transparency and fragmentation of aid. To date, nine OECD-Development Assistance Committee countries have taken steps to meet the 2010 implementation deadline of the Paris Declaration and to implement the Accra Agenda for Action[3] commitments. In addition, 14 of the 24 DAC members have developed action plans for implementing the Agenda.

52. However, the efforts of some of those donors lag behind their commitments to making aid country-owned and managed. In order to catalyse results in this area, donors will need to transition from a narrow focus on aid management and delivery to a more inclusive and outcome-oriented approach to development effectiveness that is based on the centrality of development, poverty reduction, gender equality, social justice and environmental sustainability. Changes are required in the aid architecture to ensure inclusiveness and legitimacy as well as to redress the power imbalances in donor-recipient relations.

[2] At the time of the finalization of the present report, 2009 data on ODA to Africa were not available.

[3] A/63/539, annex.

Figure I
Total official development assistance from all donors
Billions of current United States dollars)



Source: Based on OECD/Development Assistance Committee online database 2010.

B. Debt relief

53. Efforts to relieve the debt burden of African countries have continued both within the framework of the Heavily Indebted Poor Countries (HIPC) Debt Initiative and the Multilateral Debt Relief Initiative (MDRI), as well as at a bilateral level.

54. As at 1 July 2010, 23 African countries had reached completion point and received the full debt relief committed to under the HIPC and MDRI initiatives (see table 1). In January 2010, the Congo reached completion point under the HIPC Initiative and was granted $1.9 billion of debt relief under HIPC and $201.3 million of debt relief under MDRI. The Paris Club bilateral creditors are expected to provide additional debt relief in the amount of $1.4 billion.

55. Also, on 1 July 2010 the Democratic Republic of the Congo was granted $12.3 billion in debt relief, as it had reached completion point. Debt service savings are expected to total $12.3 billion, which includes $11.1 billion under HIPC and $1.2 billion under MDRI. Debt relief from the International Monetary Fund (IMF) will total $491 million, and debt relief from the International Development Association of the World Bank will amount to $1.8 million, with the remainder expected to come from bilateral and commercial creditors.

56. Six countries are receiving interim debt relief in the phase between decision point and completion point. Furthermore, four African countries are eligible for HIPC, but have not yet reached decision point.

Table 1
Current and potential beneficiaries of HIPC and MDRI

Status	*Countries*
23 post-completion-point countries	Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Congo, Democratic Republic of the Congo, Ethiopia, Gambia, Ghana, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, United Republic of Tanzania, Uganda, Zambia
6 post-decision-point countries	Chad, Côte d'Ivoire, Guinea, Guinea-Bissau, Liberia, Togo
4 pre-decision-point countries	Comoros, Eritrea, Somalia, Sudan

Source: IMF, as at July 2010.

57. However, despite the good progress made in terms of debt relief, the global economic crisis has had an overall negative effect on debt levels on the continent. The downturn in gross domestic product, exports and Government revenues all had an adverse impact on countries' financial position: debt service as a percentage of export earnings consequently increased from 12.1 per cent in 2008 to 15.9 per cent in 2009 in Africa. According to IMF estimates, five African countries — four of them post-completion-point countries — that have so far been classified as moderate-risk countries in terms of debt sustainability could face increased vulnerability as a result of the crisis. The crisis thus threatens to undermine the improvements achieved in recent years in countries' debt sustainability.

C. Foreign direct investment

58. Foreign direct investment inflows to Africa reached a historic high of $88 billion in 2008, the year for which the most up-to-date figures are available. However, the global economic crisis caused a massive slowdown of growth in the world economy and had a dramatic impact on foreign direct investment in Africa as well. According to preliminary estimates by United Nations Conference on Trade and Development, foreign direct investment to Africa decreased by more than 36 per cent in 2009, to $56 billion. The most vulnerable least developed countries were hardest hit by the crisis owing to the decline in demand for the commodities that represent their major exports. An improving world economy is expected to lead to a modest recovery of foreign direct investment flows in 2010, but the overall outlook remains fragile.

59. The regional distribution of foreign direct investment flows to Africa remains relatively stable, with North African countries, resource-rich sub-Saharan African countries such as Nigeria and Angola, and South Africa being the top recipients of such inflows. In terms of the sectoral distribution of foreign direct investment, the primary sector continues to receive the majority of the investment. However, a notable increase in cross-border mergers and acquisitions in manufacturing was registered, particularly in Egypt and South Africa. Foreign direct investment into services grew as well. The increasing diversification of investment flows bodes well for the recovery expected in 2010 and beyond. Among African least developed countries, investment remains overwhelmingly concentrated in natural-resource-rich countries. The top recipients among African least developed countries in 2008 were Angola, the Democratic Republic of the Congo, Equatorial Guinea, Guinea, Madagascar and the Sudan.

60. Despite the numerous challenges that arose from the global crisis, African countries continued to improve their investment environment to foster foreign direct investment and to accelerate economic growth and development. Countries' ongoing efforts to improve the investment climate are more noticeable. The *Doing Business 2010* report of the World Bank lists Rwanda as the number-one reformer worldwide in doing business, and two other African countries, Egypt and Liberia, among the top 10. However, despite their efforts, many African countries need to further improve their business climate to become a more attractive destination for foreign direct investment.

61. NPCA is continuing its efforts to foster such an improvement in Africa's investment climate. The NEPAD-OECD Africa Investment Initiative held its annual ministerial meeting and expert round table in South Africa in November 2009. Focusing on mobilizing resources against the global economic crisis and on private investment in energy infrastructure, African ministers and high-level representatives from business and civil society discussed existing challenges for private-sector investment, called for reforms in the areas of taxation, financial markets and energy, and highlighted successful existing national and regional initiatives in the area of resource mobilization and energy.

D. Trade

62. Despite the fact that, at the seventh Ministerial Conference of the World Trade Organization (WTO), held in Geneva from 30 November to 2 December 2009, Ministers reiterated the importance of trade for economic recovery and poverty alleviation in developing countries, very little progress was made in the Doha round of WTO trade negotiations towards reaching an agreement on issues affecting Africa, including agricultural market access and a greater reduction in trade-distorting agricultural subsidies.

63. Only marginal progress was made in 2009 in negotiations on economic partnership agreements. In June 2009, the African Ministers of Trade endorsed a template on economic partnership agreements prepared jointly by the African Union Commission and ECA as a guide for the regional economic communities in their coordination of the partnership negotiations. African regions negotiating full economic partnership agreements with the European Commission will therefore use that template, in conformity with the decision of the African Union Heads of State

and Government. At the ministerial meeting, a timetable that would facilitate the conclusion of a regional agreement by October 2009 was agreed. Efforts are also under way in the negotiations on the COMESA-Eastern African Community-SADC tripartite process. The Ministers of trade and finance of those regions met in April 2010 to agree on a way forward in the process. It was decided that the Tripartite Free Trade Area would be finalized by June 2011 and ready for signature by July 2011.

64. The second global review of the Aid for Trade initiative was conducted in Geneva in July 2009, where issues were raised on how best to optimize the initiative. Following the review, African countries agreed to be more involved in the determination of the priority areas of focus, through monitoring by the WTO Committee on Trade and Development. The focus would be on encouraging developed members of WTO to honour their commitments under the Aid for Trade initiative and to make new and additional commitments; promoting greater ownership of the initiative in developing countries; strengthening its regional dimension; placing greater emphasis on the implementation of Aid for Trade projects; further refining evaluation and monitoring mechanisms; and emphasizing the tracking of the impact of the initiative.

E. South-South cooperation

65. Over the years, South-South cooperation has become an important complement to North-South cooperation. In particular, South-South flows of finance, trade and development assistance, including knowledge- and experience-sharing, training, technology transfers, in-kind contributions, cost-sharing arrangements, soft loans and other innovations, continued to be important for the economic growth of African countries.

66. During the period under review, several high-level events were held that promoted the role of South-South cooperation in the advancement of development and capacity-building. A High-level United Nations Conference on South-South Cooperation was held in Kenya in December 2009. While celebrating the thirtieth anniversary of the adoption of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, the Conference reiterated the need to further strengthen and reinvigorate South-South cooperation as an additional mechanism for enhancing growth and addressing the development challenges of developing countries. In addition, a high-level event on South-South cooperation and capacity development was held in Colombia in March 2010. The Bogota statement adopted at that event emphasized the links between South-South cooperation and capacity development within the context of aid effectiveness. Participants also called for a more inclusive and demand-driven approach to South-South cooperation, transparency and the fostering of mutual learning among southern practitioners. The Africa-wide NEPAD Capacity Development Strategic Framework was acknowledged as an innovative regional tool. Efforts were made to institutionalize activities related to this type of cooperation.

67. In the past year, Africa has continued to develop its strategic partnerships. In particular, China committed itself to strengthening and deepening its cooperation with Africa for 2009-2012 at the fourth Ministerial Conference of the Forum on China-Africa Cooperation, held in Egypt in November 2009. China pledged to

double its assistance to Africa in the framework of eight new measures focusing on climate change, science and technology, trade, agriculture, medical care and health, human resources development, and cultural exchanges. The assistance includes, inter alia, the provision of $10 billion in preferential loans, debt cancellation, reduction of trade tariffs, and medical equipment and antimalarial materials. As at 1 July 2010, China had announced duty-free access to 60 per cent of imports from 26 of Africa's least developed countries.

68. The India, Brazil and South Africa Facility for Poverty and Hunger Alleviation facilitated South-South cooperation and expanded South-South partnerships. With each of the three countries contributing $1 million every year, the Facility was able to support a number of results-oriented initiatives in Africa that focused on the Millennium Development Goals. In addition, the Republic of Korea strengthened its partnership with Africa during the second Korea-Africa Forum, held in Seoul in November 2009, by committing to doubling its ODA by 2012 and focusing its intervention on capacity enhancement through training, education, health, human resources, technology transfer, and rural and agricultural development. The partnership will operate within the Framework for Korea-Africa Development Cooperation 2009-2012 and will include a climate change component through the Korea-Africa Green Growth Initiative 2009-2012.

69. In September 2009, Africa and South America fostered their cooperation during the Second Africa-South America (ASA) Summit, held in the Bolivarian Republic of Venezuela. Key steps were taken towards the institutionalization of the partnership with the establishment of the ASA pro-tempore secretariat and the Presidential Committee responsible for developing the ASA strategic plan.

IV. Support provided by the United Nations system

70. The United Nations system makes an important contribution as one of the main pillars of international support for the implementation of NEPAD. Support by the entities of the United Nations system at the regional, subregional and national levels takes a variety of forms, ranging from technical assistance, capacity-building and funding to advocacy and normative work. The most recent annual report submitted by the Secretary-General to the Committee for Programme and Coordination on United Nations system support for NEPAD (E/AC.51/2010/3) contains detailed information on the nature and scope of the support provided by the United Nations system during the past year.

A. Strengthening of the Regional Coordination Mechanism of United Nations Agencies and Organizations Working in Africa in Support of the African Union and its NEPAD Programme and the cluster system

71. In the past year, additional progress has been made in strengthening the support provided by the United Nations system to the African Union and its NEPAD programme.

72. The Regional Coordination Mechanism process has gained momentum. The past year has seen enhanced coordination on the part of United Nations agencies and

programmes in support of Africa's development at the regional and subregional levels; strengthened cooperation between the United Nations and African regional organizations; and increased institutional support for the African Union Commission and NPCA. During the past 12 months, several clusters met more frequently, with more meetings organized at the Commission. As of March 2010, three clusters had established business plans to embark on inter-agency joint programming and joint implementation of specific projects.

73. The tenth session of the Regional Coordination Mechanism, held in November 2009, was chaired by the Deputy Secretary-General and attended by 193 participants. The meeting resulted in key recommendations aimed at further strengthening cooperation and coordination among United Nations system entities and African regional and subregional organizations. The meeting also recommended the establishment of a subregional coordination mechanism so as to provide a link between regional-level activities and country-level priorities, actions and implementation, as well as respond to the needs of the regional economic communities.

74. Furthermore, the meeting agreed that ECA, the United Nations Liaison Office and the African Union Commission should jointly undertake the review of the ten-year capacity-building programme for the African Union and highlighted the potential role of the review in further popularizing the programme at the level of the United Nations, the African Union and the regional economic communities.

75. Following the recommendation of the Regional Coordination Mechanism meeting held in November 2009 to mainstream communications throughout the cluster system, four of the nine main clusters and 4 of 13 subclusters appointed a communication focal point. The first brainstorming workshop of the communications focal points was organized by the Office of the Special Adviser on Africa and held in Senegal in June 2010. It was agreed that the Office would take the lead in establishing a system for information-gathering and dissemination to support the production and circulation of a quarterly NPCA newsletter highlighting success stories relating to cluster activities of the Regional Coordination Mechanism in support of African Union priorities.

76. The Inter-Agency Task Force on Africa, convened by the Office of the Special Adviser on Africa at Headquarters, has continued to provide an effective framework for the agencies of the United Nations system to share expertise and experience. In particular, the Task Force has been active in supporting the Office in the preparation of a proposal for an improved monitoring mechanism to review and track the implementation of the commitments made in support of Africa's development, as mandated by the General Assembly in its resolution 63/1 as a follow-up to the High-level Meeting of the Assembly on Africa's Development Needs, held in September 2008. The Inter-Agency Task Force has also provided inputs and suggestions for the preparation of the comprehensive review of the recommendations contained in the 1998 report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318).

B. Millennium Villages

77. The Millennium Villages Project, currently in its fourth year of operation, is working to accelerate progress towards the achievement of the Millennium

Development Goals at 14 sites in 10 sub-Saharan African countries, covering roughly 500,000 people. Its integrated development model draws together proven interventions in the areas of agriculture, infrastructure, education and health. So far, average harvests have tripled, and the rate of chronic under-nutrition in children under age 2 has been reduced by one third. School meal programmes have been established in all countries.

78. More accessible and better-staffed local clinics, along with a community health worker system, have led to a fourfold increase in access to HIV testing during pregnancy, with institutional delivery rates improving by an average of 25 per cent. At the same time, more than 80 per cent of children at the sites have been immunized against measles and received vitamin A supplements in the past six months. Moreover, malaria prevalence has been reduced by over 60 per cent. The number of people with access to clean water has tripled, and access to improved sanitation has increased sixfold.

79. The lessons learned from the project are fuelling discussion at the national level. In Mali and Nigeria Governments have developed national Millennium Development Goal scale-up initiatives based on the Millennium Villages experiences, while in Ghana, Malawi and Uganda, the results of the project have informed the general discussion on the Millennium Development Goals within the Governments. The Millennium Villages have shown that the Goals can be achieved through targeted, low-cost interventions.

V. Conclusions and recommendations

80. **Good progress has been recorded in the implementation of NEPAD, in moving forward the African Peer Review Mechanism, and in increasing ODA to Africa. The integration of the newly established NPCA into the African Union Commission's structures and processes has generated new momentum in the implementation of NEPAD priority activities. With this new institutional dynamic, African countries should continue to effectively implement the NEPAD projects and programmes they have already adopted. In particular, development partners should scale up their financial and technical assistance to Africa in order to increase the potential of African countries to reach the Millennium Development Goals. The international community should ensure that multilateral trade agreements prioritize Africa's needs and incorporate development provisions.**

81. **In particular, with the establishment of NPCA, the time is right for all stakeholders involved in the implementation of NEPAD projects to design a coordinated and comprehensive continent-wide communications and outreach strategy. The aim is to enhance, at the country, regional, continental and international levels, public awareness of the vision, objectives and goals of NEPAD.**

82. **As we are entering a new phase in the implementation of the NEPAD Programme following the establishment of NPCA, African countries should strengthen the institutional capacity of the African Union Commission and NPCA by providing them with adequate human and financial resources.**

83. With this new momentum, African countries should enhance the capacity of the regional economic communities as vehicles for the implementation of NEPAD regional projects and provide them with the necessary financial and human resources. Since the NEPAD priorities are fully consistent with the Millennium Development Goals, African countries need to take further steps to integrate them into national development strategies and to engage fully in the NEPAD implementation process.

84. Given the important role of agriculture in Africa's development and in the reduction of poverty and food insecurity, African countries and their development partners should implement the CAADP compacts and prioritize investment in agriculture. African countries should also increase their spending on agricultural and rural development to 10 per cent of public expenditure, in line with the Maputo Declaration, so as to double agricultural yields, accelerate economic growth to 6 per cent and combat hunger and food insecurity.

85. Efforts must be made by African countries and their development partners to support African women, who play a key role in the agricultural sector, by improving their access to education, farming land, fertilizers, credit and markets, and by increasing their participation in decision-making processes, as the continent strives to achieve its sustainable development priorities, including the Millennium Development Goals.

86. Since the private sector is an important stakeholder in the implementation of NEPAD and in reaching the Millennium Development Goals, developed countries and multilateral development agencies should strengthen their technical cooperation with NPCA and African countries by assisting them in the formulation of country-specific strategies for improving investment climates.

87. In line with the recommendations contained in the report of the Secretary-General for the Millennium Development Goals summit (A/64/665), development partners should fulfil existing commitments so as to increase the quantity and improve the effectiveness of development assistance and take bold steps to ensure the successful conclusion of the Doha Round of trade negotiations with development dimensions. Development partners also need to increase their policy coherence for development so that assistance in one area is not undercut by actions in other areas.

88. Commitments by donor countries to mobilize additional resources for climate change should be implemented, either through a Green Fund or related initiatives. The momentum generated by the formulation in Copenhagen of a common African position must be strengthened, especially regarding the management and disbursement of funds.